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4/19/89

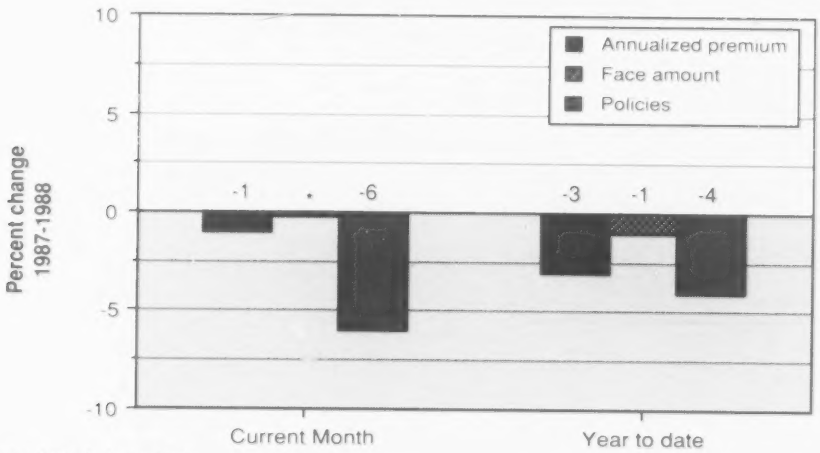
I/R Code 47.40

December1988

MONTHLY SURVEY OF LIFE INSURANCE SALES IN THE UNITED STATES

Individual Sales

126 Companies

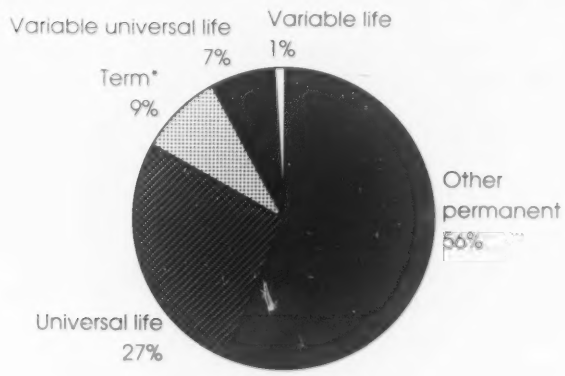


*Less than 1/2 of -1 percent

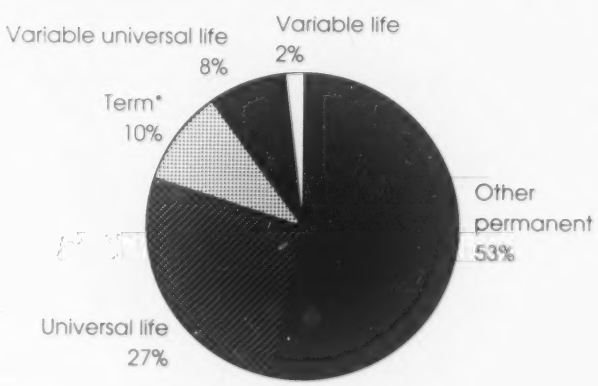
Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

Annualized Premium Market Share by Product

Current Month



Prior 12 Months (December 1987 – November 1988)



*Estimated based on 83 companies

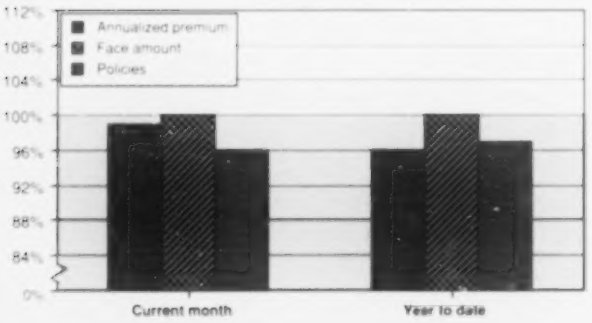
LIMRA INTERNATIONAL

Profit from our research.

Individual Sales (cont.)

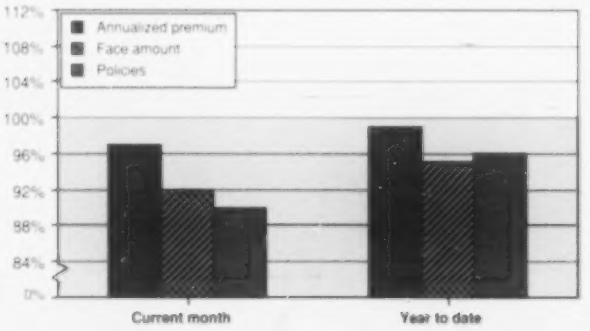
115 Ordinary Companies and Departments

Ratio 1988/1987



19 Home Service Companies and Departments

Ratio 1988/1987



Policy Characteristics – All Companies

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Total home service companies and departments	$14.98	$ 13,987	$ 210
Total ordinary companies and departments	$ 9.82	$ 87,424	$ 858
Total sales	$10.12	$ 66,992	$ 678

Policy Characteristics by Product

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Term (83 cos.)	$ 2.58	$ 148,759	$ 384
Universal life (110 cos.)	$10.74	$ 90,773	$ 975
Variable life (17 cos.)	$17.68	$ 71,271	$ 1,260
Variable universal life (28 cos.)	$13.03	$ 108,114	$ 1,408
Other permanent* (82 cos.)	$18.24	$ 34,888	$ 636

*Includes current-assumption whole life

Sales Comparisons with Last Year

Year to Date Ratio 1988/1987

	Annualized premium	Face amount	Number of policies
Term (83 cos.)	101%	100%	94%
Universal life (110 cos.)	96%	97%	94%
Variable life (17 cos.)	34%	48%	49%
Variable universal Life (28 cos.)	91%	91%	79%
Other permanent* (82 cos.)	106%	107%	104%

*Includes current-assumption whole life

Single Premium vs. Periodic Premium

(in thousands)

	Single premium (full value)			Annualized premium (excluding single)		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
Month	$ 490,457	$ 189,801	39%	$ 647,062	$ 670,921	104%
Year to date	$ 6,588,636	$ 3,230,170	49%	$ 5,649,717	$ 5,774,711	102%

Universal Life

Interest Rates This Month

Median	8.7%
Range	6.9% - 10.1%
Range of middle 50%	8.5% - 9.0%
Number of companies reporting	101
Number of plans reported	296

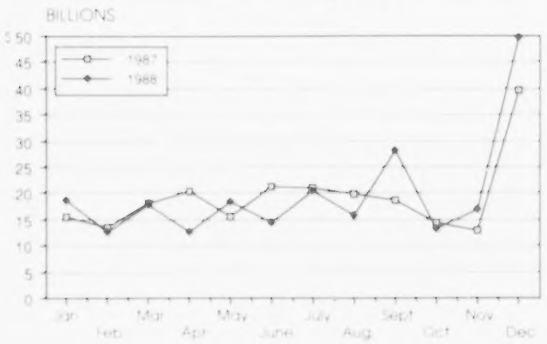
Contributors' Growth Rates

Change in Annualized Premium
Year to Date

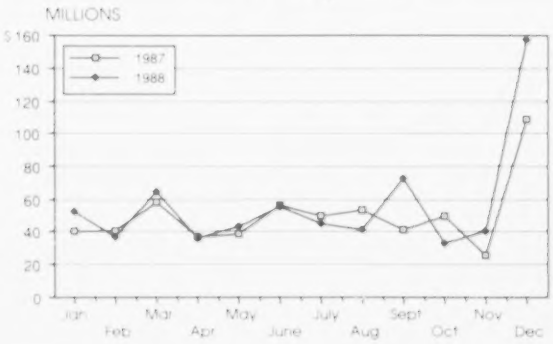
Percent change 1987 - 1988	Number of . . . Ordinary cos./depts.	Home service cos./depts.
21% or over	16	0
11% – 20%	9	3
1% – 10%	17	4
-9% – 0	35	7
-19% – -10%	18	4
-20% or under	20	1

Group Sales

Face Amount
49 Companies



Annualized Premium
40 Companies



December Sales*

		Annualized premium† (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary	Month	$ 696,108	$ 689,901	$ 63,748,215	$ 63,676,107	884,787	832,898
	Year to date	$ 6,308,581	$ 6,097,728	$ 606,834,281	$ 602,598,039	9,321,859	8,995,128
Ordinary cos. and depts.	Month	$ 650,199	$ 645,220	$ 60,621,218	$ 60,790,248	655,565	627,105
	Year to date	$ 5,777,798	$ 5,573,408	$ 569,876,494	$ 567,592,514	6,719,842	6,492,425
Home service cos. and depts.	Month	$ 45,909	$ 44,681	$ 3,126,997	$ 2,885,859	229,222	205,793
	Year to date	$ 530,783	$ 524,320	$ 36,957,787	$ 35,005,525	2,602,017	2,502,703
Group	Month	$ 108,956	$ 157,451	$ 39,678,841	$ 49,835,258	-	-
	Year to date	$ 599,616	$ 678,085	$ 231,027,338	$ 239,590,227	-	-

† Includes 10 percent of single premiums
* Excludes $174.7 million of corporate-owned life insurance premiums reported in 1987 and $248.5 million reported in 1988

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance — face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration) and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 126 companies — and their 53 subsidiary companies — operating in the United States. These contributors represent 59 percent of the 1986 United States ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 49 companies plus 4 subsidiaries operating in the United States. These contributors represent 63 percent of the 1986 United States volume of new or amended group contracts.

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